

To: Graves, Brian[graves.brian@epa.gov]
From: Dermer, Michele
Sent: Fri 3/13/2015 5:17:20 PM
Subject: RE: Calif. regulators defend 'triage' handling of oil wastewater injection wells

Hi Brian,

Hey thanks for sending all these articles! Much appreciated!

From: Graves, Brian
Sent: Wednesday, March 11, 2015 7:59 AM
To: UIC National Technical Workgroup--EPA Members; Lawrence, Rob; Gillespie, David; R6 6WQ-SG
Subject: Calif. regulators defend 'triage' handling of oil wastewater injection wells

Calif. regulators defend 'triage' handling of oil wastewater injection wells

Debra Kahn, E&E reporter

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California oil and gas regulators yesterday defended their move to close a dozen oil wastewater injection wells last week amid sharp criticism from state lawmakers that the state's oversight program is badly flawed.

The joint oversight hearing of the Senate Environmental Quality Committee and the Senate Natural Resources and Water Committee in Sacramento focused on the recent finding that the state has been approving injection of wastewater into federally protected aquifers for decades.

Of 51,000 oil field injection wells in the state, 2,553 are permitted to inject into ground that contains water classified by U.S. EPA as drinkable, or containing less than 10,000 parts per million (ppm) total dissolved solids. That means they violate the Safe Water Drinking Act, which the state has been authorized to enforce on behalf of EPA since 1982.

The state issued cease-and-desist orders last week to 12 wells after the State Water Resources Control Board determined they were particularly close to potential drinking water supplies -- within 1,500 feet of the ground surface or within 1 mile of a groundwater well. The board now plans to go through the rest of the wells to figure out how likely they are to be affecting high-quality groundwater.

"We're doing a triage right at this moment," said Jonathan Bishop, chief deputy director of the water board. The 12 wells join 23 others that the water board identified last year. There could be more, as state records are incomplete, said Steve Bohlen, head of the state's Division of Oil, Gas and Geothermal Resources.

On Monday, EPA sent the state a letter laying out deadlines for the stages of the review. By May 15, the state must identify all injection wells that dispose of wastewater in the cleanest aquifers, as well as the water supplies around them, and ask the well operators to analyze. By July 31, they must identify wells used for enhanced oil recovery that are near water wells, and by Feb. 15, 2016, they must check all injection wells and EOR wells that are in areas exempt from the Safe Water Drinking Act but that may be injecting into an area outside of the exempt zone.

State Sen. Hannah-Beth Jackson (D) was among the elected officials who lambasted DOGGR for taking years to address the issue or notify lawmakers.

"In reading and preparing for today ... I found my blood pressure getting rather high," she said. "This is an endemic problem. There is a culture here that has been so much moved by the oil and gas industry."

Officials laid out their plans for bringing the wells into compliance and defended their actions since 2011, when EPA commissioned a review of the state's UIC program. Mark Nechodom, director of the Department of Conservation, which oversees DOGGR, said the department was distracted by the need to focus on hydraulic fracturing. A 2013 bill, S.B. 4, required the department to write regulations for fracking and other forms of conventional drilling.

By the spring of 2012, "the department was fully engaged on hydraulic fracturing and well stimulation, which became the most significant issue confronting the department," Nechodom said. "It was quite clear that the administration and the Legislature expected our department to be fully engaged on hydraulic fracturing."

The state permitted wells inside 11 aquifers that should have been subject to federal oversight because there were two conflicting policies that dated back to 1982 and 1983, Nechodom said. The current policy is to consider the 11 aquifers nonexempt from the Safe Water Drinking Act, he said. Any applications to EPA to re-exempt wells within the aquifers are due by Nov. 15, with any other applications for existing wells due by Oct. 15, 2016.

As well, the state is under an Oct. 15 deadline to close any additional wells that are injecting into nonexempt aquifers that contain below 3,000 ppm total dissolved solids. By Feb. 15, 2017, the prohibition will apply to all aquifers covered by the SDWA.

The state secretary of Natural Resources, John Laird, said Bohlen -- who came on board in May 2014 -- would benefit from additional employees to handle the work. "He'll probably need additional staff and resources to try to deal with these issues that have been plunked in front of him, including modernizing of the data management systems," he said.

Laird also sought to insulate current officials from past errors. "It really was something that emerged in the '80s and was institutionalized by the '90s and not checked or undone until this point in the administration," he said. "Some of the people who are accountable have not been in the state and federal government for almost 30 years."

Lawmakers as well as environmentalists criticized the suggestion that the agency needs more personnel.

"What guarantees do we have that there are going to be changes in management practices and oversight to ensure that this plan is implemented?" asked state Sen. Lois Wolk (D), who pointed out that a 2010 budget trailer bill, S.B. 855, funded more positions to deal with the underground injection program. "That's

been the problem, not resources, it seems to me."

"I think this agency can walk and chew gum at the same time," said Bill Allayaud, California director of governmental affairs at the Environmental Working Group